What is claimed is:

- 1. A method for treating a vascular graft comprising,
 - a) introducing into susceptible cells of the graft an effective amount of at least one nucleic acid encoding at least one agent that increases activated protein C (APC) in the graft,
 - b) expressing the agent in the cells; and
 - c) increasing the APC sufficient to treat the graft.
- 2. The method of claim 1, wherein at least step a) of the method is performed ex vivo.
 - 3. The method of claim 1, wherein the method further comprises transplanting the treated graft into a host.
 - 4. The method of claim 1, wherein prior to step a) of the method, the graft is transplanted into a host.
 - 5. The method of claim 1, wherein the method is performed on the vascular graft *in vivo*.
 - 6. The method of claim 3, wherein the transplanted vascular graft has sufficient APC to prevent or treat early or late graft failure as determined by a standard protein C assay.
 - 7. The method of 6, wherein the graft exhibits at least about a 10% decrease in accelerated atherosclerosis as determined by the standard atherosclerotic vein graft model.

10

5

25

5

- 8. The method of claim 6 or 7, wherein the protein C level of the treated graft is at least about one order of magnitude higher than a control vessel as determined by the standard protein C detection assay.
- 9. The method of claim 6 or 7, wherein the increased protein C level of the treated vascular graft is detectable for at least about a week.
 - 10. The method of claim 8, wherein the increased protein C level of the treated vascular graft is detectable for at least about a week.
 - 11. The method of claim 6, wherein the early graft failure is accompanied by thrombosis.
 - 12. The method of claim 6, wherein the late graft failure is accompanied by neointimal hyperplasia.
 - 13. The method of claim 1, wherein at least one of the agents is human thrombomodulin (TM), human endothelial protein C receptor (EPCR), human IkB factor; or a functional fragment thereof.
 - 14. The method of claim 1, wherein the nucleic acid is inserted into a cassette.
 - 15. The method of claim 14, wherein the cassette includes a promoter.
 - 16. The method of claim 15, wherein the cassette is inserted into a vector.
 - 17. The method of claim 16, wherein the vector comprises sequence from an adenovirus, retrovirus, or adeno-associated virus.
- 30 18. The method of claim 17, wherein the vector is a replication defective adenovirus.

10

- 19. The method of claim 1, wherein the nucleic acid encodes at least one other anticoagulant molecule.
- 5 20. The method of claim 19, wherein the anticoagulant molecule is human thrombomodulin or a functional fragment thereof.
 - 21. The method of claim 3, wherein the host is susceptible to an inflammatory or immunological stimulus and the method further comprises administering a therapeutic amount of at least one anti-coagulant, antithrombotic, or thrombolytic drug to treat or prevent that stimulus.
 - 22. The method of claim 21, wherein the drug is administered before step a) or after step c) of the method.
 - 23. The method of claim 22, wherein the anti-coagulant drug is coumadin.
 - 24. A method for engineering a vascular graft that resists failure, the method comprising:
 - a) introducing into susceptible cells of the graft an effective amount of at least one nucleic acid encoding at least one agent that increases activated protein C (APC) in the graft,
 - b) expressing the agent in the cells; and
 - c) increasing the APC in the graft sufficient to resist graft failure.
 - 25. An engineered vascular graft produced by the method of claim 24.
 - 26. The vascular graft of claim 25, wherein the graft is an autologous saphenous vein graft (SVG) or an artificial graft.

5

- 27. The engineered vascular graft of claim 25, wherein the graft is an arterial graft.
 - 28. A kit for performing the methods of claims 1 or 24, the kit comprising:
 - a) one or more of the agents for increasing the activated protein C (APC),
 - b) means for detecting at least one of a) cell expression of the agents, and 2) the increased APC in the blood vessel; and
 - c) directions for using the kit.